Labour Market Notes

Unemployment rate falls

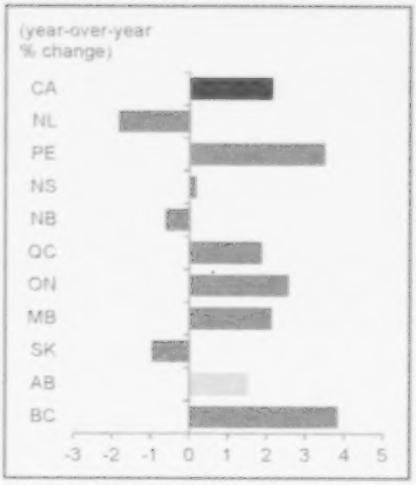
Alberta

- Employment increased for the second month in a row. After a strong gain in October employment increased by 5,400 November.
- Participation rate falls. The labour force participation decreased 0.3 percentage points to 71.9%, matching the 16-year low set in June 2016.
- Unemployment rate falls to 20-month low. With recent employment gains and easing participation rate, the unemployment rate declined for the third month in a row. The unemployment rate decreased by 0.5 percentage points in November, to 7.3%, the lowest level since March 2016.
- Private sector employment moves higher. The employment gains over the last two months have been led by strong gains in the private sector which increased by 9,800 in November to reach a 19-month high.
- Shift to full-time slows. Full-time positions decrease (-12,400) after three monthly gains, while part-time position increased (+17,800) for only the second time in the last ten months.
- Service sector rebounds. The employment gains were concentrated in the service sector (+8,600) which has added 15,600 over the last two months after losing 28,100 over the preceding three months. The monthly gain was led by trade (+7,500) and education (+5,000), while accommodation and food services (-5,400) fell for a third consecutive month. Goods-producing sector employment decreased (-3,300) ending a streak of three monthly gains.
- Solid year-over-year job growth. With the monthly gain, year-over-year employment has increased by 34,300, or 1.5%.
- Earnings improve in September. Average Weekly Earnings (AWE) increased 0.8% in September to $1,142. Compared to a year ago, earnings were up 2.3% the largest year-over-year gain since February 2015.

Canada

- Large employment gain. Canadian employment increased by 79,500 in November, the largest monthly gain in over five years. The increase was led by Ontario (+43,500), British Columbia (+18,200) and Quebec (+16,200).
- Unemployment rate drops to a nine-year low. The Canadian unemployment rate fell 0.4 percentage points to 5.9% in November.
- Canadian earnings rose. Canadian AWE increased 1.0% month-over-month in September to $986, 3.1% higher than a year ago.

Employment Growth by Province, November 2017 vs. November 2016



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,296,000
Employment (month change)	+5,400
Employment (year-over-year % change)	1.5%
Alberta Unemployment Rate (%)	7.3%
Edmonton UR**	7.6%
Calgary UR**	7.3%
Participation Rate	71.9%
Average Weekly Earnings (AWE)	$1,142.01
AWE (year-over-year % change)	2.3%
Alberta Hourly Wage	$33.42
Hourly Wage (year-over-year % change)	3.5%
Job Vacancy Rate***	1.9%

Source: Statistics Canada

* All data is from the November 2017 Labour Force Survey, except AWE which is the September 2017 Survey of Employment, Payrolls and Hours, and the Job Vacancy Rate is for August 2017.

** This indicator is calculated as a three-month moving average and is seasonally adjusted.

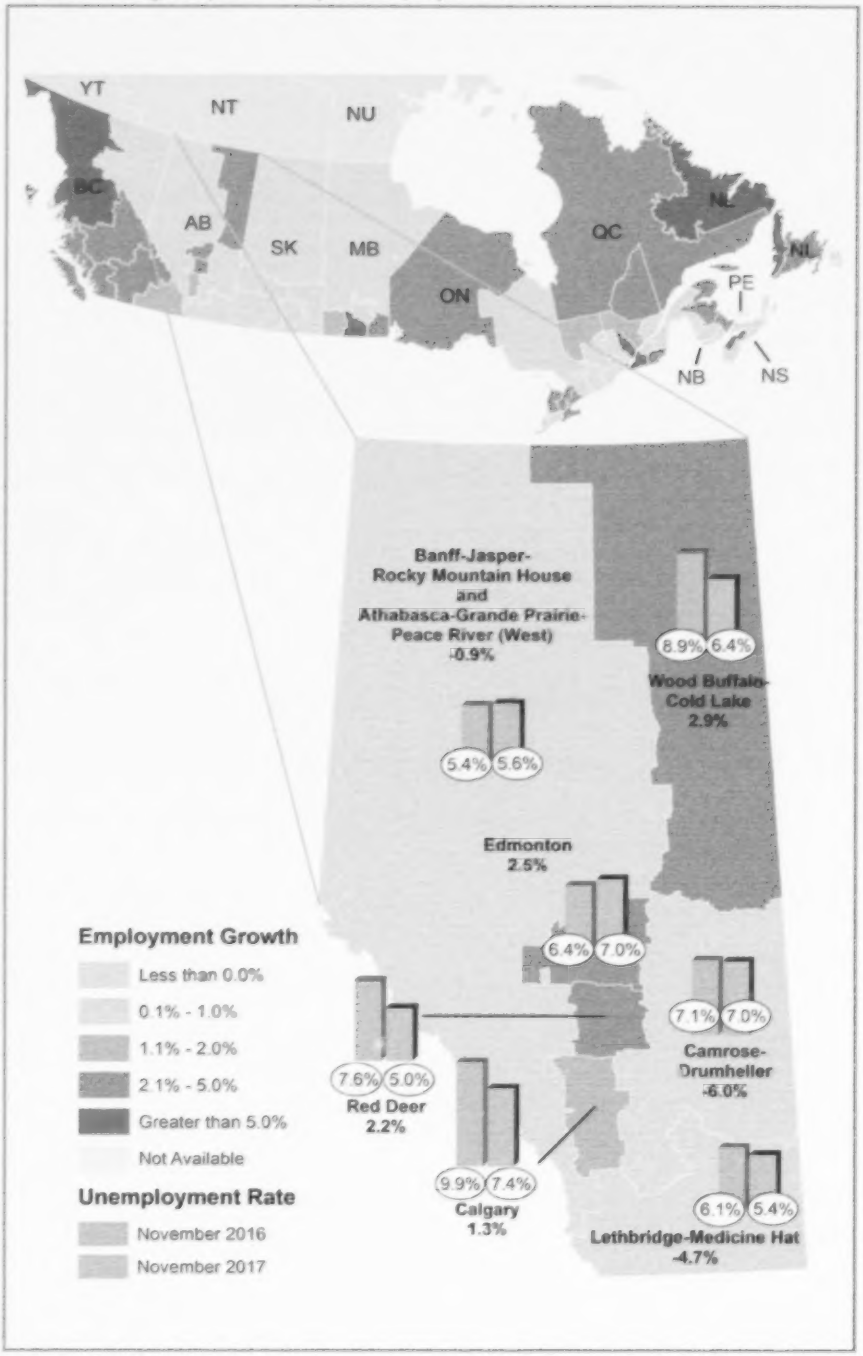
*** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

Regional labour market indicators

	2015	2016	2017 YTD
Alberta			
Population			
Labour Force			
Employment			
Unemployment Rate			
Calgary			
Population			
Labour Force			
Employment			
Unemployment Rate			
Edmonton			
Population			
Labour Force			
Employment			
Unemployment Rate			
West			
Population			
Labour Force			
Employment			
Unemployment Rate			
Lethbridge - Medicine Hat			
Population			
Labour Force			
Employment			
Unemployment Rate			
Red Deer			
Population			
Labour Force			
Employment			
Unemployment Rate			
Camrose - Drumheller			
Population			
Labour Force			
Employment			
Unemployment Rate			
Wood Buffalo - Cold Lake			
Population			
Labour Force			
Employment			
Unemployment Rate			

* Year-to-date (YTD) is the change in the average based on 3 month moving averages

Employment growth by economic region
Percent change in year-over-year employment



Source: Statistics Canada

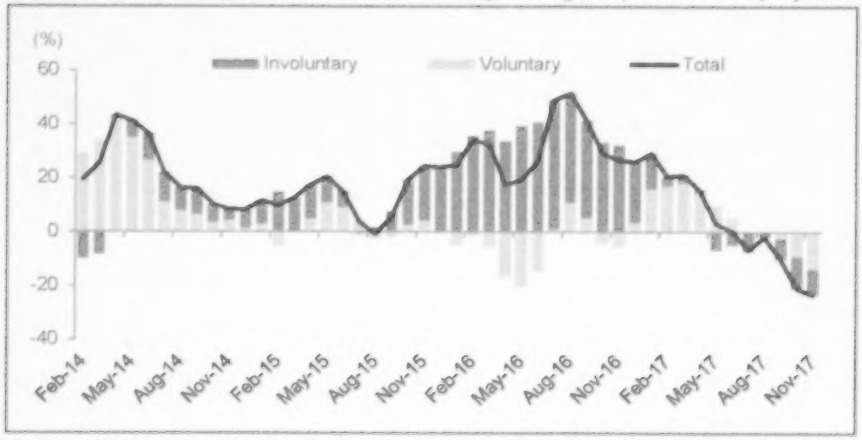
Fewer part-time jobs as the labour market improves

Since the employment recovery began in July 2016, full-time jobs have surged while part-time positions have declined. With the recovery in the labour market solidifying, this Labour InSight looks at some reasons why part-time employment has fallen in 2017.

Improving economic conditions a primary factor

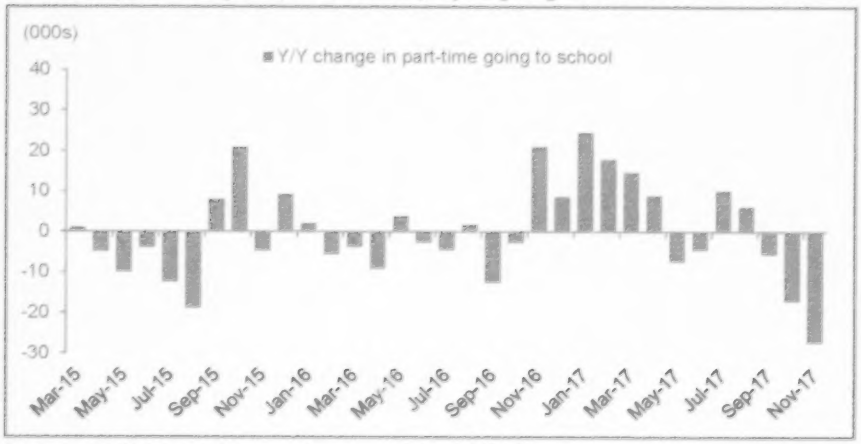
The level of part-time employment fluctuates with economic conditions and changing preferences. Part-time workers are classified based on their preference, either as involuntary, those who want to work full-time but accept a part-time position; or voluntary, those who choose to work part-time. The decline in part-time employment in 2017 is mostly the result of improving labour market conditions, leading to both fewer involuntary and voluntary part-time workers (Chart 1).

Chart 1: Voluntary and involuntary part-time declining
Year-over-year change in the 3-month moving average of part-time employment



Source: Statistics Canada

Chart 2: Fewer part-time in school
Year-over-year change in part-time employed going to school



Source: Statistics Canada

Transition back to full-time

During the downturn, many Albertans lost their full-time jobs and accepted part-time positions, while some had their hours reduced to part-time levels. The involuntary part-time employment as a share of overall part-time employment increased to reach a recession peak of 31.4% in July 2016. With the labour market improving, involuntary part-time employment has declined in 2017. Although the share of involuntary part-time remains elevated, it has declined to 26%.

More prefer full-time

Voluntary part-time employment has also declined in 2017. The number of part-time workers attending school has started to fall after surging during the 2016-17 school year (Chart 2). Similarly, the number of people with part-time positions for no reason other than preference has also decreased. This suggests that the increasing allure of a full-time job has encouraged people to take a full-time job.

Recent industry weakness

In addition to preference, there are fewer part-time jobs available. Sectors that are heavily dependent on part-time employees have recently shed jobs. Employment in the accommodation and food service industry has retreated after hitting a 30-month high while the information, culture and recreation and other services industries remain weak.

Have a question or idea for Labour InSight? Send us an *email*.

Contact

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